

# **Indispensable Strategic Moves for Corporate Growth for Oil and Gas Servicing Companies in Rivers State during Economic Down-Turn**

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**ABSTRACT:** *The purpose of this paper is to establish the fact that most organizations are vehemently preoccupied with pursuing strategies geared at achieving sales growth, possession of valuable property (assets), market share. The sales growth, assets, market share, profit can only be achieved through regular strategic moves involving scanning of the environment to take advantage of the opportunities and threats in the external environment and organizational strengths and weaknesses inherent in the internal. How an organization achieves its success is obviously not by following the traditional ways of doing things. Organizations that started earlier have not continued by dint of their inability to take cognizance of the impact of changes in the environment. These are great threats to strategic managers to establishing future workable plans which could be accommodated by the external environmental trends. A sample size of 355 employees was drawn out of a population size of 3290 employees. Data for analysis were derived by administering 187 questionnaires, out of which 148 were returned. Personal interview method was also used for data generation to complement those of the questionnaire. Research findings revealed a positive correlation existing between the predictive and the criterion variables. It was then concluded that corporations must not be confident in their old ways of doing things because of the changes that occur in an environment in order to achieve growth.*

**Keywords:** *strategic decision, strategic intent, strategic leadership, strategic planning process.*

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**I.**

**INTR**

## **ODUCTION**

Growth is prerequisite for continuity of organizations, and its manifestations according to Tom Mcaskill (2010) are in total revenue and shareholders return (TSR). Furthermore, it is a thing that most organizations strive for regardless of their size. The reason being that small firms would want to be big, while big firms would like to become bigger in order to accommodate unprecedented expenses that develop overtime. Organizational growth has the capability of providing small and big business with many different benefits. Corporations desire growth because it is seen as a sign of success and also used as an indicator of effectiveness and thus, a fundamental concern for corporation's managers. Organizations have to grow in order to remain in operation, and for it to grow, there must be an increment in sales to generate revenue for survival.

As long as it is expedient that every business strategy is concerned with product improvement for competitive advantage, it is expected that organization's strategic move should be geared towards growth to improve its competitive advantage. This will also encourage strategists to decide if it will expand operations, cut back, continue with same operations, concentrate or diversify into other industries. Having agreed on the general growth orientation as panacea for competitive advantage, managers could decide to embark on concentration strategy or any other for more improvement of products and for growth Thomas and Hunger (2010).

Organizational growth is essentially required to meet the challenging demands of an environment that is increasingly complex and dynamic. Therefore an understanding of the necessity of the strategic moves for corporate growth is very imperative by dint of the extant global economic challenges which had resulted to retrenchment of unprecedented number of employees in large number of oil servicing companies in Rivers State. As a consequence, for organizations to achieve growth, one of the primary requirements is to engage in strategic choice. This will involve the evaluation of alternative strategies and selection of the best alternative.

### **1.1OBJECTIVES OF THE STUDY**

This study was aimed at investigating the following specific objectives:

1. To examine the relationship between organizations mission, vision and objectives on corporate growth.
2. To examine an organizations strategic decision making on corporate growth.
3. To investigate the imperative of decentralized strategic management process on corporate growth.

**RESEARCH QUESTIONS.** The following research questions were put forward:

1. What is the effect of strategic intent on corporate growth?
2. What is the effect of strategic decision making on corporate growth?
3. What is the effect of decentralized strategic planning process on corporate growth?.

#### **HYPOTHESES**

The following hypotheses were formulated to address the subject matter of the research in the null form.

- H<sub>0</sub>: There is no significant relationship between strategic intent and corporate growth.  
H<sub>2</sub>: There is no significant relationship between strategic decision making and corporate growth.  
H<sub>3</sub>: There is no significant relationship between decentralized strategic planning process and corporate growth.

## **II. REVIEW OF RELATED LITERATURE**

**Strategic Intent** – Laying down the framework within which a firm operates as a means of achieving an already determined goals is a major concern of strategic intent. Azhar Kazmi, (2008), believes that strategic intent is an obsession that organizations cannot be unable to continue thinking about. In other words, the strife to achieve it may not match with the available resources. Hamel and Prahalad in Charles and Jones (2007) maintain that the concept involves managerial decision which will bring into fore what will create general awareness on organizational members on how to win, motivate people by communicating the value of an organization's goal, thereby allowing opportunities for individuals and group involvement in exercising their opinions and ideas.

Formally, according to (Charles and Jones, 2007) this only involved interplay of organization's internal and external resources and capabilities in light of the strengths and weaknesses and opportunities and threats to achieve organizational goals. In other words, strategies are formulated based on extant resources of an organization and extant opportunities in the environment which are not as much required to generate more resources and capabilities to exploit unforeseen opportunities. This has been criticized by Gary and Prahalad because it only emphasis on the amount of interplay between the organization's extant resources and environmental opportunities. They also argued that strategies formulated based on existing resources and capabilities tend to be more concerned with existing problems than with future opportunities.

Thus, the strategic move according to them must embrace the concept of strategic intent which has the notion that strategic planning should be based on setting an ambitious vision and goals that stretch the company and capabilities necessary to achieve the vision and goals.

#### **EXPLICIT DESCRIPTION OF CUSTOMERS AND TECHNOLOGIES (MISSION)**

An organization's mission defines the exact operational concern and reason of an organization existence Hunger and Wheelen (2010). The mission statement indicates the major products or services an organization provides to the society. In other words, it draws a clear line of demarcation between companies in terms of type, scope of operation with respect to products and services offered (Thomas and Hunger 2010).

Organizations with clear and obvious description of customers and the science of production have been noted to have an unprecedented growth than others without an explicit description. Drucker in Fred R. David (2010) say that asking the question "what is our business" is synonymous with asking the question "what is our mission". According to him, a clear mission statement is essential for effectively establishing objectives and formulating strategies. Ravick and Vitton in Fred R. David (2009) found out that organizations having mission statements have generated more returns to shareholders than others who failed to have formal mission statements.

#### **VISION STATEMENT AS A COMPONENT OF STRATEGIC INTENT**

A clear vision statement is the threshold for a mission statement. Fred R. David (2009) maintains that essentially, it is imperative for an understanding to exist between top and middle level managers on the vision that an organization strives to achieve. The statement of the vision should emanate from contributions of managers in the organization. A vision statement according to (Charles and Jones 2007) describes the future desired state of an organization. They maintain that it articulates what the company would like to achieve. In other words, good vision statements are challenges to an organization towards achieving an ambitions future state that has the propensity of motivating employees at all levels in an organization. An organization's question of "what we want to become" is answered by the vision statement. The vision statement answers the question "what do we want to become". Put different, Thomas and Wheelen explains that vision statement describes what an organization would like to become. Some organization develops both mission and vision statements. When members in collaboration with each other arrive on what their vision and mission statements are, the document resulting from it reflects the vision that all have concerning their own future Fred R. David (2007)

### **STATEMENT OF DIRECTION (OBJECTIVES)**

Clear statements of objectives are essential for an organization's success in an e environment. The basic reasons are that the direction aid in evaluation, provides a base for effective managerial functions Fred R. David (2009). He believes that organizational managers should set objectives that should be clear and achievable. These should be established at the organizational unit and functional levels in all organizations. Yearly objectives should be stated with respect to the functional areas of management, marketing Finance/Accounting production and operations, research and development (Fred R. David (2009). The achievement of state objective should result a reflection of the fulfillment of a corporations mission, objectives and have to be set in all strategic areas in an organization (Azhar Kazmin 2008). In general, according to Drucker in Azhar (2008) objectives need to be set in eight areas such as target market, new ideas and method ,achieving good results, machineries and equipment, management of money, financial gains, motivation and training, worker performance, and not behavior and public obligation.

### **STRATEGIC DECISION**

Strategic decision making involves a process of developing actions and choices that will influence long-term goals of an organization. These choices includes fundamental organizational changes and he amount of resources to be committed which stands very difficult to reverse once they are implemented (Charles and Gareth 2007) believes that the most acceptable systems for strategic planning will not achieve the desired result, if managers do not effectively use the information available to them. As the size of organizations increase with more complex responsibilities and uncertainties in the environments, decisions become increasingly complicated and difficult to make (Thomas and Hungers 2010).

Strategic decision making shows how top management takes steps in implementing its growth strategy. According to Azhar Kazmi (2008), strategic decision making is the sole responsibility and primary risk of top management. He believes that decision making is the responsibility of all managerial functions while, executing strategic task is essentially very hard and rigorous. Thus, the basic thrust of strategic decision making in the process of strategic management is to make choice regarding the courses of action to adapt Azhar Kazmi (2008). He contends that the distinguishing characteristic of strategic manager depends on strategic decision making. In other words, the strategic decision making should include the mission. The reason according to Fred R. David (2010) is that it gives the answer to questions, what our business is, what it will be, and what it should be. Wheelen and Hunger (2010), maintain that there are also instances when top management should make strategic decisions regarding environmental trends, threats and opportunities, company strengths and weaknesses which are in abundance with respect to the consideration of limited resources. Strategic decision making according to Wheelen and Hunger (2010) should start with the planning mode involving the systematic generation of relevant information to analyze the situation, the generation of possible alternative strategies and the selection of the most acceptable strategy. They believe that this will necessitate the exploitation of new opportunities and proffer solutions to correcting existing problems. Hence, organizations should embrace the planning mode in their strategic decision making as it is a more logical way of making strategic decision with respect to the complex and challenging environments.

### **STRATEGIC PLANNING PROCESS**

Strategy writers have maintained that strategy results from a formal planning process and that it is the duty of top management to be fully involved in the process Charles and Gareth (2007). They contend that strategic making involves a process of selecting and implementing strategies directed towards achieving competitive advantage.

Strategic planning is defined by Fred David (2010) as a company's game plan required to compete successfully and is an outcome of stringent managerial decisions on numerous good alternatives which instills commitment to different markets, guides, series of action, and operation. He explains that strategic planning must involve all middle level managers and employees. These, according to him mean that organizations should decentralize the strategic management process which recognizes organization as a learning organization. He continued by saying that it is wrong for strategic plan to be developed only by strategist themselves the worst thing strategists can do is to develop strategic plans themselves and then give to lower level managers to execute. In other words, making good participation necessitates commitment achieve needed changes. Organizations need to have strategic plan document to show not only the formal effort involve in the strategic planning, but also for creating awareness to employees ,customers ,creditors, stakeholder on what the company stands for and what it plans to do in a given future time period Azhar Kazmi (2008).

Ricky Griffin (2005) explains that organizations should have strategic plans as threshold for achieving strategic goals. More importantly, general plan showing decisions of resource allocation priorities and action

required to achieve strategic goals. These plans must always address questions of scope, resource department and competitive advantage.

Since organizations would work as a learning organization, first ideas for planning can come from any part of the organization (Thomas and Hunger 2011). As found in their book, strategies can first be proposed in the business unit and forwarded to top management for approval. Chief executives will however, accept and support the planning process in order to achieve strategic management goals. This could be done by accepting the business and financial unit's strategic planning proposals or start by asking them draft a general corporate plan through which the units can continue with their own plans. It is obvious that down-up strategic planning may be approved in conglomerates operating in stable environments, but up-down strategic planning is more realistic for firm operating in turbulent environments (Thomas and Hunger 2010).

Regardless of any of the approaches both internal and external board members expects top level managers to be responsible for managing the overall strategic planning process in order to accommodate the plans of all the units and functional areas into an overall corporate plan(Thomas and Hunger 2010). Top management must continually evaluate unit plan through feedback from each unit in order to ensure that their proposed objectives, strategies and programs are in tandem with the overall plan.

### **STRATEGIC LEADERSHIP**

Strategic leadership is defined by (Azhar Kazmi 2008) as the mental strength of a leader to influence and encourage members of an organization towards the achievement of organizational objectives. As a consequence, leading strategically involves discovering the few key things needed by an organization in order to do well. Organizations need to be involved in strategic leadership that will drive it to become continued learning institution to develop and discover attainable strategies.

The task involved in strategic leadership are typically to anticipate, envision, maintain flexibility and empower others to create strategic choices as and when necessary, Azhar Kazmi (2008). Wehrich and Koontz, (2005) believe that organizational leaders have the ability to influence the behavior of subordinates so that they willingly and enthusiastically work towards the achievement of organizational objectives. As a consequence, Azhar Kazmi (2008) explains that the task involved in strategic leadership must be concerned with performing the task of leadership i.e. task that must be performed by top managers rather supervisory management tasks performed by lower – level managers.

Performing the task of an organization according to Azhar Kazmi (2008) includes establishing the strategic direction, having an efficient and effective manager, maintaining a motivating the organizational culture, ensuring ethical practices and promoting balanced organizational controls.

The styles of leadership expected to be used by the strategic leader should be one suitable to the requirement of a particular strategy, because a particular strategy creates special requirements in terms of leadership. This is due to the fact that the environment is unpredictable and full of uncertainty. Thus, the greater the chances if organizations have strategic leadership abilities which allow leaders think strategically. According to Paul; Steve; and Howland (2013), these skills include the ability to anticipate, challenge, interpret information, and take decisions.

### **MONITORING THE ENVIRONMENT THROUGH SCANNING**

Environmental factors that can cause changes in behavior includes a complex of events, trends, issues and expectations that continually affect the business environment of an organization Azhar Kazim (2008). The impact of these on the strategic management process can be monitored through environmental scanning. Since organization operates in so many complex environments, it is expected that strategists have to consider the process of environmental scanning, which must ensure effectiveness and efficiency Fred R. David (2009).

Environmental scanning, sometimes called industry analysis is the art of systematically exploring the external environment Fred R. David (2009). He posits that the main thrust of strategic management is the need to outline strategies necessary to take advantages of opportunities in the external environment and avoid or reduce the external threats. Therefore, identifying, monitoring and evaluating external opportunities and threats are essential. This could only be achieved through scanning which involves conducting research and gathering external information in order to take advantage of external opportunities in the organization's environment, and also threats that should be avoided so that strategies can be formulated by managers to take advantage of the opportunities and avoid or reduce the impact of threat Fred R. David (2009).

## **III. METHODOLOGY**

For the purpose of this research, the research design used in data collection was the quasi experimental or survey method. This is because of the nature of the respondents who are exposed to complex relationship and also not subject to manipulation.

The population of the study consisted of 3290 employees from varying organizational levels in the six selected oil and gas servicing companies in Rivers State. A sample size of 187 employees comprising of chief executives, administrative managers and supervisors was drawn using Taro-Yemen's. The sample procedure adopted was the simple random sampling method which ensured that all members of the population had equal chances of being selected. The sample size was determined using Taro Yemen's formula as  $N/1+N(e)^2$  at 0.05 level of significance.

Questionnaire and interview methods were extensively adopted for data generation, and was structured to reflect the Likert's five point scale format such as strongly agree (5 points), Agree (4pts), strongly disagree (3 points), Disagree (2 points), undecided (point). This was divided into two categories, viz, strongly agree and agree formed category one while strongly disagree, Disagree and undecided formed category two.

The questionnaire was prorated for distribution to the selected companies using Bowley's population proportion and distribution technique. The validation of questionnaire and interview questions were substantially accepted using opinions of professionals in academic and knowledgeable executives in the industry. The generated data for the study were consisted and accurate with the use of Cronbach Alpha test at 0.79 which revealed strong reliability. The statistical tool used in the research analysis was the spearman rank order correlation coefficient to measure the correlation between the independent and dependent variables of the study.

$$r^s = 1 - \frac{6 \sum d^2}{N(N^2 - 1)}$$

$$\text{Bowley's formula} = NH = \frac{n \cdot N \square}{N}$$

Where nh = number of units allocated

n = Total sample

NH = Number of items in each unit

#### IV. SUMMARY, CONCLUSION AND RECOMMENDATIONS

The results of the research are subject to the data generated from the survey which are presented in tables and explained below.

**TABLE 4.1: DETERMINATION OF SAMPLES DRAWN FROM EACH COMPANY**

S/N	NAME OF COMPANY	POPULATION SIZE	SAMPLE SIZE DRAWN	% OF SAMPLE
1.	SAIPEM (NIG) LTD	410	44.24	12.46%
2.	DAEWOO (NIG) LTD	480	51.79	14.58
3.	NAOC (NIG) LTD	500	53.95	15.19
4.	EXXON MOBIL (NG) UNLTD	520	56.10	15.80
5.	CHEVRON (NIG) LTD	680	73.37	20.66
6.	SPDC (NIG) LTD	700	75.53	21.27
	<b>Total</b>	<b>3290</b>	<b>354.98</b>	<b>99.96</b>
			<b>(355)</b>	<b>100%</b>

Source – Research's Field Survey (2016)

The table above showed a total of 3290 employees as comprising the population of the study from the six subjectively chosen oil and gas servicing companies in Rivers State. A sample size of each company was determined using Bowles's population proportion and distribution formula which corresponded with the same figure arrived at by the application of Taro-Yamane formula and expressed in percentages.

**TABLE 4.1.2: QUESTIONNAIRE DETERMINATION/RESPONSES**

S/N	NAME OF COMPANY	POPULATION SIZE	SAMPLE SIZE	NO. OF QUESTIONNAIRE	NO. RETURNED	NO. NOT RETURNED
1.	SAIPEM (NIG) LTD	410	44.24	23	20	3
2.	DAEWOO (NIG) LTD	480	51.79	27	23	4
3.	NAOC (NIG) LTD	500	53.95	28	22	6
4.	EXXON MOBIL (NIG) UNLTD	520	56.10	30	24	6
5.	CHEVRON (NIG) LTD	680	73.37	30	28	11
6.	SPDC (NIG) LTD	700	75.53	10	31	9
	<b>Total</b>	<b>3290</b>	<b>355.98</b>	<b>187</b>	<b>148</b>	<b>39</b>

Source – Researcher's Field Survey (2016)

The above table represents 3290 as total population size, 355 as total sample size and 187 as total number of questionnaire distributed. To prorated the distribution of questionnaire to different companies having different sample sizes as shown in column three of the table, Bowles's population proportion and distribution

technique was used. But of a total number of 187 questionnaire distributed, 148 questionnaire were returned which represented 79.14% and 39 questionnaire were not returned which represented 20.85%

**TABLE 4.1.3: BIOGRAPHICAL CHARACTERISTICS**

S/N	DESCRIPTION		CUMULATIVE FREQUENCY	%
1.	Age	(M) 20 - 30yrs	40	27.02
		(F) 20 - 30	28	18.91
		(M) 40 and Above	58	39.18
		(F) 40 and Above	22	14.86
2.	Years of Service Qualification	8yrs and Above	148	100
		Bachelors	37	25.43
		Masters	48	32.43
		Professionals	39	26.35
		Ph.D.	24	16.21
3.	Marital Status	Married	130	87.83
		Single	18	12.16
	Gender	Male	98	66.21
		Female	50	33.18
	Designation	Chief Executives	85	57.43
		Lower Level Manager	39	26.35
		Supervisors		16.21

Source – Researcher’s Field Survey (2016)

The above table shows the biographical characteristics of 148 respondents made up of 98 males and 50 females. Their qualifications range from bachelor degree holders, masters, Ph.D. to professionals in the industry. 130 of them are married, while 18 of them are single. Their designations included chief executives, lower level managers and supervisors with their ages ranging from 20yrs and above for both males and females. Column 2 of the table indicates the cumulative frequencies of the biological characteristics of the respondents which are expressed in percentages.

**4.2.1 ANALYSIS OF RESEARCH QUESTIONS**

Research Question 1

**TABLE 4.3: THE EFFECT OF STRATEGIC INTENT ON CORPORATE GROTH.**

QUESTION	COMPANY	SA		A		DA		SDA		UND	
		FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%
My knowledge of strategic intent enables me to contribute more to the organization.	SAIPEM (NIG) LTD	7	15.90	6	15.78	6	18.75	4	14.28	1	16.66
We cannot operate without a strategic intent.	DAEWOO (NIG) LTD	8	18.18	6	15.78	5	15.62	5	17.85	1	16.66
Strategic intent helps us to communicate organizational goals	NAOC	7	15.90	7	18.42	4	12.5	6	18.75	1	16.66
Strategic intent acts as framework for operation	EXXON MOBIL	7	15.90	7	18.42	6	18.75	5	17.85	1	16.60
Strategic intent stop us from planning based on existing resources	CHEVRON	8	18.18	6	15.78	6	18.75	4	14.28	1	16.60
Our ambitious goals are vision are achieved through our strategic intent	SPDC	7	15.90	6	15.78	5	15.62	4	14.28	1	16.66
<b>Total</b>		<b>44</b>		<b>38</b>		<b>32</b>		<b>28</b>		<b>6</b>	

Source – Researcher’s Field Survey (2016)

The six item questions asked on the strategic intent became very necessary in order to realize its importance on corporate growth in a global recession situation. The analysis are based on the cumulative frequencies of responses to questions in the table and the percentage response rate as indicated using the Likert’s five point scale. The responses are divided into two categories such as strongly agree (SA) and Agree in category one, and others in category two. A total of 82 respondents indicated SA and A respectively, while 68 respondents indicated DA, SDA and undecided respectively. It then becomes obvious and revealing that an organization’s strategic intent should be stated in periods of economic recession. In other words, to achieve corporate growth, organizations must be pre-occupied with its strategic intent as a panacea for setting ambitions

goals and as a means of accumulating resources for achieving the goals and vision, rather than engaging in planning based on existing resources and capabilities

**RESEARCH QUESTION 2:**

**TABLE 4.2.1 THE EFFECT OF STRATEGIC DECISION MAKING ON CORPORATE GROWTH**

QUESTION	COMPANY	SA		A		DA		SAD		UND	
		FREQ	%	FREQ	%	FREQ	%	FREQ	%	FREQ	%
Strategic decision making involves organizational Changes	SAIPEM	11	17.74	10	18.51	3	18.75	1	12.5	1	12.5
Growth strategy requires strategic decision making during recession	DAEWOO	11	17.74	8	14.81	3	18.75	2	25	2	25
Strategic decision making is the primary risk of senior management	NAOC	10	16.12	10	18.51	2	12.57	2	12.5	1	12.5
Performing strategic task is an extremely difficult task	EXXON MOBIL	10	16.12	9	16.16	3	18.75	1	12.5	2	25
Strategic decision is the distinguishing characteristics of strategic management	CHEVRON	10	16.12	9	16.66	3	18.75	1	12.5	1	12.5
Strategic decision making is subject to limited resources	SPDC	10	16.12	8	14.81	2	12.5	1	12.5	1	125
		<b>62</b>		<b>54</b>		<b>16</b>		<b>8</b>		<b>8</b>	

Source – Researcher’s Field Survey (2016)

The six item questions were asked to ascertain the effect of strategic decision making on corporate growth in period of economic down turn. The analysis of the result was by dint of the response rates as shown in the table. The responses are categorized into two as described earlier. From the table, a total of 116 respondents indicated SA and A in category one, and 32 respondents indicated the other options respectively. The result of the analysis therefore proved that strategic decision making is a prerequisite for corporate growth during recession. With the current economic down turn, strategic decision makers must take cognizance of limited resources that must influence long-term goal achievement

**RESEARCH QUESTION 3**

**TABLE 4.2.3: THE EFFECT OF DECENTRALIZED STRATEGIC PLANNING PROCESS ON CORPORATE GROWTH**

QUESTION	COMPANY	SA		A		DA		SAD		UND	
		FREQ	%	FREQ	%	FREQ	%	FREQ	%	FREQ	%
Business unit propose strategies and send to headquarters for approval	SAIPEM	11	15.19	8	15.68	3	30	1	12.5	2	25
Business unit builds their plan from overall corporate plan	DAEWOO	12	16.90	7	13.72	1	10	1	12.5	1	12.5
Proposed business unit strategy transforms into corporate goal	NAOC	10	14.08	7	13.72	1	10	1	12.5	1	12.5
Bottom-up and top-down strategic planning are important for success	EXXON	14	19.71	11	21.56	2	20	2	25	2	25
Strategic planning process involves all units	CHEVRON	10	14.08	8	15.58	1	10	1	12.5	1	12.5

and functional areas											
Unit plan is evaluated by top management to justify proposed objectives	SPDC	14	19.71	10	21.56	2	20	2	25	1	12.5
		<b>71</b>		<b>51</b>		<b>10</b>		<b>8</b>		<b>8</b>	<b>100%</b>

Source – Researcher’s Field Survey (2016)

The six item questions on table 4.2.3 were advanced to know the effect of decentralized strategic planning process on corporate growth in period of economic down-turn as currently in existence in Rivers state. Response categories are also in two groups for better analysis and understanding. Category one which involved SA and A had 122 respondents respectively, while 26 respondents made up category two which included DA, SDA and undecided respectively. It therefore suffices to conclude that by virtue of response rates, decentralized planning process has innumerable impact on corporate growth in period of recession. In other words, strategic planning process should be an integral function of all units, departments, functional areas and also top management in order to achieve corporate growth.

### 4.3 ANALYSIS OF RESEARCH HYPOTHESIS

**H<sub>01</sub>:** There is no significant relationship between strategic intent and corporate growth. In testing this hypothesis, the spearman rank order correlation coefficient formula was used to determine the relation between the predictor variable and the criterion variable at 0.05 level of significance. The result derived revealed a positive correlation coefficient of .001 with a P. value of .281,  $P < 0.05$ . This necessitated the rejection of the null hypothesis and acceptance of the alternative that there is a significant relationship between strategic intent and corporate growth. This implies that a vision statement is very imperative in order to stimulate the motivating of organizational members towards achieving future goals.

**H<sub>02</sub>:** There is no significant relationship between strategic decision making and corporate growth. This hypothesis was stated to test the effect of strategic decision making on achieving corporate growth. As a consequence, the correlation was established by applying spearman rank order correlation coefficient at 0.05 confidence level. The result revealed a strong correlation at 1.00 and a p. value of .032 which showed a strong correlation i.e.  $p < 0.05$ . Hence, the rejection of the null hypothesis and acceptance of alternative hypothesis that there is a significant relationship between strategic decision making and corporate growth. The implication is that top management should use the information available to them to make decisions on the courses of action to adapt with respect to new trends, threats and opportunities in turbulent economic period.

**H<sub>03</sub>:** There is no significant relationship between decentralized strategic planning and corporate growth. It was assumed in this hypothesis that no significant relationship is achievable. The test of the hypothesis showed a correlation coefficient of .000 and a p. value of .001, meaning that there is a significant relationship between decentralized strategic planning and corporate growth. Again  $p < 0.05$  allows for the rejection of the null hypothesis and acceptance of  $H_1$ . Its planning has the tendency of achieving needed changed and goals in organizations during period of economic down turn.

### 4.3 CONCLUSION

This paper studied the impact of indispensable strategic moves on corporate growth with emphasis on the dimensions which includes strategic intent, decentralized strategic decision making and strategic management process. A critical knowledge of the effects of global economic problems on the growth of organizations are enough signals for organizational strategists to be abreast of organizational mission and vision statements, decentralized strategic decision and strategic planning process necessary to achieve corporate growth defined in sales, market share and profit.

These are realizable through environmental scanning necessarily required to identify opportunities, threats, strengths and weaknesses in the external and internal environments. As a consequence, it therefore becomes necessary for top management to be obsessed with strategic intent which has the tendency of creating general awareness on members of the organization on the value of an organization’s goals and allowing for individual and group contributions. This will enable the formulation of strategies capable of exploiting future opportunities. Organization’s mission statement plays a prominent role in achieving corporate growth in as much as it defines its customers, science of production, major products or services the organization provides for the society.

Objectives statement is very necessary because it specifies the expected result and directs the activities of all members of the organization. In other words objectives should be stated clearly and also achievable to reflect the fulfillment of an organization’s mission. Strategic decision making is the ultimate duty of top management and should involve a process of developing actions and making choices regarding the courses of action to adapt.

These merits cannot be achieved easily because of the inherent environmental factors which are obviously not controllable by top managers. These factors such as complex events, trends, issues and expectations have the powers of influencing changes in behavior continually.

#### **4.4 RECOMMENDATIONS**

As a consequence, it is recommended that

1. Strategic intent should serve as a medium of formulating strategies capable of exploiting future opportunities.
2. Objectives should be stated clearly and achievable to reflect the fulfillment of an organization's mission.
3. Decentralized planning process should include mission and vision statements, environmental trends, threats and opportunities, strengths and weaknesses, because participation necessitates commitment of individuals. Further studies should be carried out on other strategic moves necessary to accomplish organizational growth during economic recession.

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